

B. Strategic Goal: To ensure superior stewardship of Social Security programs and resources

Scope: The people of America, who fund the Social Security and SSI programs through their payroll tax contributions and income tax payments, expect and deserve well managed programs. The scope of this objective extends beyond fiscal integrity to also cover Agency productivity improvements and the integrity and security of records and information that SSA maintains.

Our strategic objectives for this goal are:

- B1. Prevent fraudulent and erroneous payments and improve debt management;
- B2. Increase the accuracy of earnings records;
- B3. Strengthen the integrity of the SSN; and
- B4. Efficiently manage Agency finances and assets, and effectively link resources to performance.

Environmental Factors:

The terrorist attacks on September 11, 2001 have further heightened the awareness of the need to strengthen safeguards to protect against misuse of the Social Security number. SSA's traditional emphasis on confidentiality of personal records will be closely scrutinized in the context of homeland security.

Information technology has altered the way citizens and outside organizations interact with government and the way government agencies interact with each other. SSA's ability to obtain, verify and match information and data electronically with other governmental agencies and organizations helps prevent and detect erroneous payments in the OASDI and SSI programs. The widespread interconnectivity of computer systems and the critical operations and infrastructures they support create new security-related vulnerabilities. This impacts our ability to deliver services to the American public. We must balance protection of the confidentiality of records with service enhancements enabled by technology.

B1. Strategic Objective: Prevent fraudulent and erroneous payments and improve debt management

This objective encompasses all efforts to ensure that we pay the right person the right amount. It includes activities for preventing and detecting payment error, fraud and misuse attributable to non-medical and medical factors of eligibility. Its scope extends beyond error prevention and detection to debt recovery and payment restitution.

Output Measure	Projection
SSI non-disability redeterminations	FY 2003: 2,455,000
	FY 2004: 2,455,000
CDRs processed	FY 2003: 1,129,000
	FY 2004: 1,645,000

Outcome Measure: Percent of SSI payments free of preventable error (overpayments and underpayments)

Overpayment accuracy rate

FY	Actual
1999	94.9%
2000	94.7%
2001	93.3%
	Goal
2002	94.7%
2003	95.4%
2004	95.4%

Underpayment accuracy rate

FY	Actual
1999	98.3%
2000	98.6%
2001	98.8%
	Goal
2002	98.8%
2003	98.8%
2004	98.8%

Data Definition: The SSI payment accuracy rate free of preventable errors is determined by an annual review of a statistically valid sample of the beneficiary rolls. The rate is computed by first subtracting the amount of “unpreventable” incorrect payments from the dollars overpaid or underpaid in a fiscal year, and then dividing these dollars by the total dollars paid for the fiscal year. This percentage is subtracted from 100 percent to attain the accuracy rate. The current measuring system captures the accuracy rate of the non-medical aspects of eligibility for SSI payment outlays.

Data Source: SSI Stewardship report. The FY 2003 actual performance data will not be available for reporting in the FY 2003 Performance and Accountability Report (PAR) because of the length of time required to gather, validate and analyze the data, and then prepare the final report. These data will be reported in the FY 2004 PAR.

Outcome Measures: SSI overpayment and underpayment accuracy rate (including both preventable and unpreventable error)

Overpayment accuracy rate

FY	Actual
1999	94.3%
2000	93.6%
2001	92.8%
2002	N/A
	Goal
2003	93%
2004	94.7%

Underpayment accuracy rate

FY	Actual
1999	98.3%
2000	98.6%
2001	98.6%
2002	N/A
	Goal
2003	98.8%
2004	98.8%

Data Definition: The SSI payment accuracy, including both preventable and unpreventable errors, is determined by an annual review of a statistically valid sample of the beneficiary rolls. The overpayment accuracy rates and underpayment accuracy rates are determined separately. The overpayment accuracy rate is computed by first subtracting the total amount of overpaid dollars from the total dollars paid for a fiscal year, and then dividing these dollars by the total dollars paid for the fiscal year. This percentage is subtracted from 100 percent to attain the accuracy rate. The underpayment accuracy rate is computed by first subtracting the total amount of underpaid dollars from the total dollars paid for a fiscal year, and then dividing these dollars by the total dollars paid for the fiscal year. This percentage is subtracted from 100 percent to attain the accuracy rate. The current measuring system captures the accuracy rate of the non-medical aspects of eligibility for SSI payment outlays.

Data Source: SSI Stewardship report. Neither actual nor estimated data are available for FY 2002. The FY 2003 actual performance data will not be available for reporting in the FY 2003 Performance and Accountability Report (PAR) because of the length of time required to gather, validate and analyze the data, and then prepare the final report. These data will be reported in the FY 2004 PAR.

Outcome Measure: Percent of outstanding SSI debt in a collection arrangement

Year	Goal
2003	55%
2004	55%

Data Definition: This new measure for FY 2003 is the percent of outstanding SSI debt that is scheduled for collection by benefit withholding or installment payment. The rate is expressed as the average for the year. Outstanding SSI debt is grouped into four main categories: newly established debt; debt that involves a current due process request such as waiver; debt that is in a collection arrangement; and debt that is not in a collection arrangement. The percent of debt in a collection arrangement is computed by dividing the dollars in that category by the total dollar amount of outstanding debt in all four categories. To improve this indicator, SSA will focus on the debt not in a collection arrangement by developing initiatives to collect it or eliminate it if it is unproductive.

Data Source: The Supplemental Security Record (SSR)

Outcome Measure: Percent of OASDI payments free of overpayments and underpayments

Percent free of overpayments

Year	Actual
1999	99.8%
2000	99.9%
2001	99.9%
	Goal
2002	99.8%
2003	99.8%
2004	99.8%

Percent free of underpayments

Year	Actual
1999	99.9%
2000	99.9%
2001	99.8%
	Goal
2002	99.8%
2003	99.8%
2004	99.8%

Data Definition: The OASDI payment accuracy rate is determined by an annual review of a statistically valid sample of the beneficiary rolls. Separate rates are determined for the accuracy of payments with overpayment dollars and the accuracy of payments with underpayment dollars. The rates are computed by dividing these dollars by the total dollars paid for the fiscal year. This percentage is subtracted from 100 percent to attain the accuracy rate. Prior to FY 2001, the accuracy of only OASI outlays was included. Effective FY 2001, the non-medical accuracy of DI outlays was added to the measure. GAO raised a concern that combining payment accuracy data from the OASI and the DI programs may affect SSA's ability to sufficiently monitor and manage performance. While the Performance and Accountability Report combines data from these two programs, stewardship reports continue to include the accuracy of OASI and DI payment outlays separately.

Data Source: OASDI Stewardship Report. The FY 2003 actual performance data will not be available for reporting in the FY 2003 Performance and Accountability Report (PAR) because of the length of time required to gather, validate and analyze the data, and then prepare the final report. These data will be reported in the FY 2004 PAR.

Outcome Measure: Percent outstanding OASDI debt in a collection arrangement

Year	Goal
2003	38%
2004	38%

Data Definition: This is the percent of outstanding OASDI debt that is scheduled for collection by benefit withholding or installment payment. The rate is expressed as the average for the year. Outstanding OASDI debt is grouped into four main categories: newly established debt; debt that involves a current due process request such as waiver; debt that is in a collection arrangement; and debt that is not in a collection arrangement. The percent of debt in a collection arrangement is computed by dividing the dollars in that category by the total dollar amount of outstanding debt in all four categories. To improve this indicator, SSA will focus on the debt not in a collection arrangement by developing initiatives to collect it or eliminate it if it is unproductive.

Data Source: The Recovery of Overpayments, Accounting and Reporting (ROAR) system

Means and Strategies for Preventing Fraudulent and Erroneous Payments and Improving Debt Management:

We recognize we must do more to improve stewardship of all SSA-managed programs, with a focus on improving the more error-prone SSI program. We are targeting initiatives that have the most potential to improve the integrity of our programs across three fronts--prevention of erroneous payments, detection of erroneous payments and collection of debt. Our budget includes dedicated funding that would finance cost-effective activities related to increasing payment accuracy and strengthening debt collection.

OASDI payment accuracy: The strategy is to maintain this performance at current levels. Two priority workloads requiring corrective action were identified.

The *special disability workload* resulted from a situation where some beneficiaries did not receive all benefits to which they were entitled. One of the conditions for eligibility to SSI is that individuals file for any other benefits they may be entitled to receive. A number of SSI recipients have been identified who are entitled to receive Social Security Disability Insurance payments because they have earnings sufficient to qualify for the Disability Insurance program. To keep this from happening in the future, we have rewritten computer programs and retrained technical employees to identify eligibility as it occurs.

Although our corrective actions will prevent a recurrence of this backlog, we still must review nearly a half-million complex special disability workload cases. We have trained employees and established cadres who began processing these cases in FY 2002. Under this plan, we expect to finish processing these cases by the end of FY 2006.

Some people who receive Social Security disability benefits also receive federal or state *workers' compensation payments*. When a person is eligible to receive both types of payments, the law imposes a limit on the total amount the person can receive each month. When that occurs, SSA withholds a portion of the person's Social Security disability payments. SSA identified Disability Insurance beneficiaries whose workers' compensation payments changed. Some of these people have been paid incorrect amounts of Social Security disability benefits. SSA is reviewing these cases, verifying the amount of workers' compensation payments, and correcting Social Security disability benefits as appropriate. In FYs 1999 – 2002, we reviewed 112,000 of these cases. The President's FY 2004 budget for SSA supports our plan to complete 40,000 workers' compensation cases in FY 2004.

In addition to the two special workloads discussed above, we expect to process a new workload based on the President's legislative proposal to require SSA to review at least 50 percent of the favorable decisions for SSI disability and blindness cases involving adults. This supports the President's management reform to reduce erroneous payments and improve the accuracy of the SSI and Medicaid programs. Since the Social Security Disability Insurance program already requires pre-effectuation reviews, this will bring consistency to both disability programs.

SSI Program: In January 2003, GAO removed the SSI program from its high-risk list of government programs considered especially vulnerable to waste, fraud or abuse. In doing so, GAO recognized SSA's efforts to improve the management of the program. The Agency has developed a Corrective Action Plan and has implemented many initiatives over the last few years to prevent and detect SSI overpayments. In general, the initiatives have proven to be highly successful. The Office of Child Support Enforcement wage alerts have been primarily effective in detections. High error-prone profile redeterminations have been effective in detection, prevention and collection. Building upon that success, SSA will implement additional initiatives designed to improve prevention and detection of overpayments as discussed below.

Prevention and Detection Activities:

- Experience has proven that redeterminations are the most powerful tool SSA has to detect and prevent SSI overpayments. Redeterminations are periodic reviews of non-medical factors of SSI eligibility. The Agency recently targeted an additional \$21 million to increase the number of redeterminations of more complicated, error-prone cases for FY 2002. In FY 2002, approximately one of every three SSI recipients had their eligibility reviewed at some point during the year. The estimated benefits from the FY 2002 redeterminations will total \$2.6 billion in overpayments collected or prevented and \$1.4 billion in underpayments paid or prevented. For FY 2003, these benefits will increase to \$2.9 billion in overpayments collected, and \$1.5 billion in underpayments paid or prevented.
- The top two reasons for SSI overpayment errors are unreported wages and unreported bank accounts. To prevent overpayments, we will pilot an automated wage-reporting method for workers at high risk for wage-related overpayments using touch-tone telephone technology for reporting purposes. While this method is as yet untested, a conservative estimate anticipates it will yield annual prevention of at least \$80 million in overpayments.
- SSA will test a process to access the records of financial institutions. Use of this tool will prevent overpayments by revealing unreported income or assets during the initial claims process and during the periodic redetermination of eligibility. We are also testing the use of credit bureaus and other public databases to detect unreported income and resources of SSI applicants and recipients.
- SSA has implemented a new automated process to net overpayments against underpayments when the SSI system computes these amounts on a beneficiary's record. Today, netting requires SSA employees to record a series of transactions and, because of this labor intensive process, many opportunities to perform netting are being lost. SSA estimates that automating the netting process will reduce overpayments computed on SSI records by up to \$50 million each year, with a corresponding reduction in underpayments paid to beneficiaries.
- Legislative proposals for simplifying the SSI program are under development and additional analysis will be done in order to assess the impact of other policy changes on program costs and on beneficiaries.

- CDRs are our first line of defense in ensuring that only those people who continue to meet the disability requirements remain on the disability rolls. This means that SSA will initiate CDRs that are due and selectable and, on average, complete processing within the prescribed timeframes of:
 - 6 months for mailers (self-help forms sent to disability beneficiaries to gather information on their continuing eligibility to disability benefits);
 - 12 months for full medical reviews; and
 - 18 months for mailers that become full medical reviews as measured from the initiation date.

The President's FY 2004 budget for SSA provides tangible assurance of SSA's commitment to maintaining the integrity of the disability rolls. The budget assumes that we will continue to process CDRs within the above timeframes, if dedicated funding is available. The CDRs to be conducted in FY 2003 and FY 2004 are estimated to result in similar lifetime benefit savings to OASDI, SSI, Medicare, and Medicaid which the Agency has realized in past fiscal years. According to the Annual Report of Continuing Disability Reviews for FY 2001, the Agency yielded a lifetime program savings to administrative cost ratio of roughly \$9 to \$1.

Fraud Detection Activities:

- *Cooperative Disability Investigations (CDI):* CDI units provide investigative support to select DDSs during the initial and continuing disability review process to prevent payment on disability cases involving fraud. The CDI units combat fraud by investigating the questionable activities of claimants, medical providers, attorneys, interpreters or other service providers who may be involved in the facilitation or promotion of disability fraud. The CDI units gather investigative evidence that allows the DDS to make a timely and accurate disability determination. The evidence is used in the criminal prosecution of those individuals who commit fraud. At the end of FY 2002, SSA had 17 CDI units in operation. In addition to fraudulent cases being denied and/or terminated, actions initiated by the CDI units are expected to have a cumulative deterrent effect on fraud. The productivity of the CDI units continues to increase every year. In FY 1998, when the project began, they accounted for \$2.8 million in savings for SSA. By January 2003, cumulative SSA program savings had increased to \$206 million, with an additional \$108 million in projected savings for non-SSA programs.
- *Representative Payee Improvements:* SSA appoints representative payees for people who are incapable of managing their benefits. Each representative payee is required to account for the benefits received and for how they were spent. In light of intense congressional, media, IG and advocate scrutiny, and based on an in-depth Agency analysis, SSA is reexamining the operations of the representative payee program.
- *Proof of Identity:* SSA will begin a proof of concept pilot asking claimants to present proof of identity when filing a disability claim. At the conclusion of the pilot, there will be an assessment.
- *Proof of Birth and Death:* Traditionally, SSA has relied on the claimant to supply proofs of eligibility like birth and death records in support of claims for SSI and OASDI benefits. To end reliance on paper documentation, we are moving to electronic verification and exchanges of information in partnership with the National Association for Public Health State and Information Systems and state vital statistics agencies. "E-Vital", which is a government-wide "e-government" initiative, includes two projects – Electronic Verification of Vital Events and Electronic Death Registration (EDR). Electronic Verification of Vital Events will automate exchanges of vital statistics data. This will result in reduced benefit fraud and erroneous payments, and efficiencies by improving the speed and accuracy of access to vital records data.

EDR is a state process to automate the death registration process. SSA is partially funding the development of EDR. In return, SSA will realize approximately \$52 million in program savings when EDR is implemented in 90 percent of the states. It will improve the accuracy of the Death Master File SSA is required by law to share with other federal agencies. It will also facilitate automated cross matching of birth and death records, thereby deterring the fraudulent use of the SSN to establish identity.

- *Online Verification:* Online verification of documents and claimant's allegations will detect and prevent overpayments better than traditional methods, will reduce administrative costs associated with the current paper-bound processes, and will improve service by decreasing processing time.

Debt Collection Activities: SSA will step up the emphasis on collecting the debt we detect. Our goal is to control as much debt as possible by collection arrangement. Mandatory cross-program recovery of SSI debt from Social Security benefits and credit bureau referrals and administrative offset for delinquent SSI debts have also been implemented. SSA is currently writing regulations to institute administrative wage garnishment for public and private sector employees who have outstanding Social Security overpayments.

B2. Strategic Objective: Strengthen the integrity of the SSN

This objective covers activities to prevent and detect SSN fraud, as well as development and implementation of policies in partnership with other government entities to strengthen enumeration and homeland security.

Output Measure	Projection
SSNs issued	FY 2003: 16,000,000
	FY 2004: 16,000,000

Outcome Measure: Percent of SSNs issued that are free of critical error

Year	Goal
2003	99.8%
2004	TBD

Data Definition: The rate is based on an annual review of SSN applications to verify that: 1) the applicant did not receive an SSN that belonged to someone else; 2) if the applicant had more than one SSN, the numbers were cross-referenced; and 3) the applicant was entitled to receive an SSN based on supporting documentation (i.e., the field office verified appropriate documentation--Bureau of Citizenship and Immigration Services (BCIS), formerly Immigration and Naturalization Services, document for foreign born and birth certificate for U.S. born--and made a correct judgment of entitlement to an SSN).

Data Source: Enumeration Process Quality Review

Note: For GPRA purposes, only the first two criteria will be used to measure against the FY 2003 goal because baseline data has not been established using the third criterion. However, during FY 2003, all three criteria will be measured internally in order to obtain baseline data. All three criteria will be used for measuring SSN accuracy effective FY 2004, however, at this time a numeric goal has not been established for FY 2004 due to the lack of baseline data.

Means and Strategies for Strengthening the Integrity of the SSN :

Public and private use of the SSN as a personal identifier, coupled with the public's increased Internet usage, has increased vulnerabilities to SSN fraud and identity theft. The General Accounting Office and SSA's Inspector General identified SSN misuse and identity theft as a Major Management Challenge. The Social Security Advisory Board has expressed concern that the fraudulent use of the SSN has become a significant public policy issue that is expected to grow as the number of SSN-related crimes escalates. Strengthening the enumeration and verification process is a top Agency priority.

Our commitment to strengthen the integrity of the SSN will bring major improvements to the enumeration and verification process. Below are recently implemented strategies that go toward strengthening efforts to ensure the integrity of the SSN.

The full impact of the following activities will not be realized until the end of 2003:

- January 2002, began verifying refugees through the Department of State (DOS);
- June 1, 2002, began verifying birth certificates for U.S. born individuals age one and over; and
- September 2002, fully implemented verifying documentation/status with BCIS for non-citizens.

Additionally, we are testing the effectiveness of a Social Security Card Center in Brooklyn, New York (jointly staffed by employees from SSA and BCIS) to process requests for original and duplicate Social Security cards for residents of the borough of Brooklyn. Centralizing this workload has improved service to the public and has expedited the review of documents that must be verified under the new requirements we have established. In addition, it helps ensure that only qualified individuals with valid documents receive new Social Security numbers or replacement cards.

The strategy to improve the enumeration process is threefold: (1) decreasing reliance on applicant submitted evidence; (2) tightening up other evidentiary requirements; and (3) making better use of the information in automated systems to detect potential fraud.

- *Decreasing reliance on applicant submitted evidence:* Enumeration at entry is a process designed to issue SSN cards based on data collected as part of the immigration process. It will prevent fraud and ensure the integrity of the SSN because SSA will receive enumeration information directly from BCIS. In the first phase, DOS will collect enumeration information from adult applicants applying for admission into the U.S. as permanent residents, and will send the enumeration data to BCIS. When BCIS admits a person to the U.S., it will electronically send the enumeration data directly to SSA. After the first phase of this project is implemented in early FY 2003, SSA, DOS, and BCIS will evaluate the experience and initiate expansion to other groups of aliens.
- *Tightening other evidentiary requirements:* Proposed regulations to require mandatory interviews for all applicants age 12 or older, and to require evidence of identity of all applicants regardless of age, are out for public comment. Current requirements call for face-to-face interviews for SSN applicants 18 or over, and allow waiver of evidence of identity for children under age 7 applying for original SSNs. We expect to publish final regulations in 2004.
- *Making better use of the information in automated systems to detect potential fraud:* In FY 2003, we will implement systems changes to delay issuance of an SSN in situations where an individual is shown as the parent of an unusually high number of children. We will also begin to develop requirements to interrupt issuance of an SSN in situations where an unlikely number of SSN cards have been requested for the same address, as well as alert field offices to investigate and refer any potential fraud cases to IG. We will continue to investigate additional measures, e.g., limitations on replacement cards issued to an individual, including more robust security features.

B3. Increase the accuracy of earnings records

The Earnings Suspense File (ESF) is a file that houses earnings that cannot be posted to an individual's earnings record because of incorrect name and/or SSN information reported to the Agency. SSA's Inspector General designated the integrity of the earnings reporting process and reduction of the Earnings Suspense File as a Major Management Challenge. This objective addresses reducing the number of items already in the ESF as well as reducing its growth.

Output Measure	Projection
Annual earnings items processed	FY 2003: 260,000,000
	FY 2004: 265,000,000

Outcome Measure: Reduction in the size of the Earnings Suspense File

Year	Goal
2003	18 million
2004	12 million

Data Definition: This goal relates to suspense file items for years prior to 2001. The goal is to find the correct earnings record and post 30 million or more suspense items for years 2000 and earlier, before 2005. New processes being developed by the Office of Quality Assurance (OQA) will be used.

Data Source: OQA records of items removed from suspense and posted to the correct earnings records. Also, a comparison of the current suspense file will be made to the suspense file at the end of FYs 2003 and 2004.

Outcome Measure: The percent of incoming earnings items removed from the suspense file at the end of the annual earnings posting cycle

Year	Goal
2003	2%
2004	5%

Data Definition: Earnings that remain in suspense after the annual posting cycle are wage or self-employment earnings that are not matched to an earnings record after all routine matching operations are complete. The 5 percent reduction will be achieved by using new matching routines currently being developed by OQA that use earnings records as the basis for the match to the employer/self-employment report. The OQA process is used after all other matching attempts. The percentage is determined by comparing the number of items *added* to suspense during a full posting cycle to the number later removed in the new process. The first earnings cycle to which the indicator will be applied will be in 2002, therefore, the 2003 goal applies to the 2002 cycle. The FY 2004 goal of 5 percent represents the cumulative effect of the FYs 2003 and 2004 efforts.

Data Source: Items in the suspense file at the end of the full 2002 cycle compared to items removed by the new process

Means and Strategies for Increasing the Accuracy of Earnings Records:

Despite efforts to improve the quality of earnings reported to the Agency, including sending out letters to employers who submit reports where the name and SSN are inconsistent with SSA records, the ESF continues to grow. To augment existing strategies to increase the accuracy of earnings records, SSA has launched an earnings improvement effort that includes:

- Increasing the use of electronic filing by employers;
- Providing online filing status and error information; and
- Expanding the pilot to encourage greater use of SSN verification services that allow more employers to verify online a valid name/SSN combination.

As part of SSA's suspense file clean-up effort, SSA is building new processes that will electronically find the correct earnings record for many millions of the items posted in suspense. The new processes integrate analysis of earnings and benefit records into the matching process.

Employers who use our electronic services provide SSA with wage reports that contain fewer errors than those who file using magnetic media and paper. Electronic reporting will improve accuracy and result in a decline in the growth of the ESF. This will also result in administrative savings by reducing the number of notices and phone calls to correct errors, and improve the accuracy of earnings statements and benefit payments.

We will educate employers about electronic reporting through promotional materials, payroll and employer focused conferences, articles for trade publications, and direct contact with employers. We will continue to make on-site visits with large payroll service providers and other companies, encouraging them to report electronically.

SSA is undertaking an aggressive educational campaign to inform the wage reporting community of various error detection tools available to them prior to submitting entire wage reports to SSA. The Agency began notifying all employers of every name/SSN discrepancy reported by the employer on the Form W2 (Annual Wage and Tax Report) submitted to SSA for tax year 2001. These notices request the employer to provide corrected information to the Agency within 60 days.

Additionally, we will continue to send out Social Security Statements so that people can review the earnings history we have for them to ensure its completeness and correctness.

SSA is currently gathering and analyzing baseline information concerning the impact of these initiatives on the accuracy and growth of the ESF. Based on this analysis, SSA will continue to examine its key outcomes and strengthen its performance measures accordingly.

B4. Strategic Objective: Efficiently manage Agency finances and assets and effectively link resources to performance outcomes

This objective encompasses the Presidential Management Agenda items on financial management, budget and performance integration, and competitive sourcing as well as several other Agency priorities such as improved productivity and information security.

Outcome Measure: Percent improvement in Agency productivity

Year	Goal
FY 2003	2%
FY 2004	2%

Data Definition: The percent change in productivity is measured by comparing the total number of SSA and DDS workyears that would have been expended to process current year workloads at the prior year's rates of production to the actual SSA and DDS workyear totals expended.

Data Source: Agency Cost Accounting System

Outcome Measure: Disability Determination Service (DDS) cases processed per work year (PPWY)

Year	Goal
FY 2003	264
FY 2004	268

Data Definition: This indicator represents the average number of DDS cases processed per work year expended for all work. A work year represents both direct and indirect time, including overhead (time spent on training, travel, leave, holidays, etc.). It is inclusive of everyone on the DDS payroll plus doctors under contract to the DDS.

Data Source: National Disability Determinations Service System.

Outcome Measure: Number of SSA hearings cases processed per work year (PPWY)

Year	Goal
FY 2003	101*
FY 2004	104

Data Definition: This indicator represents the average number of hearings cases processed per "direct" work year expended. A direct work year represents actual time spent processing cases. It does not include time spent on training, ALJ travel, leave, holiday, etc.

Data Source: OHA Monthly Activity Reports, the Hearing Office Tracking System (HOTS), Payroll Analysis Recap Report, Time and Attendance Management Information System, OHA Bi-weekly Staffing Report, Training Reports, and Travel Formula.

*Note: For comparability purposes, the FY 2003 target includes only SSA hearings. The Administration's plan is to transfer the Medicare hearings function to the Department of Health and Human Services starting with FY 2004. The FY 2003 target including Medicare hearings is 112.

Outcome Measure: Percent of commercial positions competed or converted

Year	Goal
2003	15%
2004	15%

Data Definition: This performance measure represents the percentage of SSA's commercial activities competed with commercial sources or directly converted to contract by the end of each fiscal year.

Data Source: Total commercial positions: Year 2000 Federal Activities Inventory Reform (FAIR) Act inventory; Commercial positions competed per Competitive Sourcing Plan

Outcome Measure: Maintain zero outside infiltrations of SSA's programmatic mainframes

Year	Goal
2003	0
2004	0

Data Definition: SSA mainframes store information critical to the completion of the Agency mission, including master files such as enumeration, earnings and beneficiary/recipient payment files. The goal is to prevent any unauthorized access and/or alteration of critical data that would result in improper disclosure, incorrect information or lack of data availability. An infiltration is an unauthorized access that requires a cleanup or restoration of back-up files to a state prior to the infiltration. This would include an authorized user who obtains elevated privileges and performs unauthorized actions resulting in infiltration.

Data Source: Count of the times mainframes are infiltrated, obtained from Change Asset and Problem Reporting System

Outcome Measure: By 2005, substantially complete the most significant projects in the Social Security Unified Measurement System (SUMS) and Managerial Cost Accountability System (MCAS) plan, and complete the plan by the end of 2008.

SUMS FY 2003 Goals

1. Use of the SUMS Title XVI Post-eligibility Operational Data Store (PEODS) and SUMS Work Measurement Data Warehouse (WMDW) as the sole source of agency information for managing the redetermination and limited issue workloads. Complete corrections to the cases in the data warehouse.
2. Complete the first stage of the national rollout of the Customer Service Record (CSR) through the Visitor Intake Process (VIP) system in SSA field offices. The Customer Service Query (CSQ) will contain an extract of data from 8 databases and will be displayed in VIP.
3. Data contained in the Title II Integrated Workload Management System (IWMS) will be moved to the Title II Operational Data Store (ODS) and will be the basis for the new processing time reports and SUMS counts.
4. Data on Title XVI Initial Claims processing time from the SSI Claims Report (SSICR) will be moved to the WMDW and accessed from the Common Front End to provide web-based processing time reports.

SUMS FY 2004 Goals

1. Implementation of SUMS Continuing Disability Review (CDR) ODS as the sole source of agency information for managing the CDR workload. A relational database and the architecture to house the CDR data and establish the files and protocols needed for ad hoc querying will be created, as well as workload control listings and reports using the Common Front End.
2. Establish common standards for SUMS projects and a common web-based delivery of SUMS reports and workload listings.
3. Creation of an ODS to replace the current Post Entitlement Management Information (PEMI) system. Phase One will provide new data for Title II Recomputations, adjustments and post-entitlement workloads and will provide means for ad hoc querying of this information.
4. SUMS will have a single access point established for applications called the Common Front End that will have standardized formats for listings and reports and be in compliance with Section 508. PEODS and SSI processing times will be the applications that are initially included.

MCAS FY 2003 Goals

1. **Cost Analysis System (CAS) Renovation - OHA Work Counts:** Release 7 of the CAS Renovation project under the umbrella MCAS project will substantially automate the manual processes currently used to compute basic workload count and work time by workload information for the Office of Hearings and Appeals and to enter that data to SSA's Cost Analysis System. This project will reduce the time and effort required to produce these data and will enhance the accuracy and integrity of SSA's managerial cost accounting processes.
2. **Complete Vision and Scope Document for Time Allocation.** This document will complete the user planning and analysis phase of the Time Allocation project and will provide the basis for development of detailed requirements and project plans for time allocation.

MCAS FY 2004 Goals

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| <ol style="list-style-type: none"> Cost Analysis System (CAS) Renovation - OEO Work Counts: Release 8 of the CAS Renovation project under the umbrella MCAS project will substantially automate the processes currently used to compute basic workload count and work time by workload information for the Office of Earnings Operations and to enter that data to the CAS. This project will reduce the time and effort required to produce these data and will enhance the accuracy and integrity of SSA's managerial cost accounting processes. Time Allocation Requirements: Requirements will be defined for all management information processes that depend on time allocation to be complete. Requirements for workload processing times to assess service delivery, assess performance, and compare service delivery channels will be developed. Additionally, requirements for workload costs used to determine budget and operational impacts will be included. Determine MCAS Reporting Requirements: This project will use a combination of prototyping, demonstration, and interactive requirements development to determine executive and management requirements for MCAS data, reports and information delivery mechanisms. MCAS Release 1 - Convert SSA's Cost Analysis System to a Relational Database: The purpose of this project is to transition CAS to a modern and efficient systems architecture that makes data more accessible to end users throughout SSA. This critical financial management information system provides crucial reports and data to many SSA-wide users. Actual system use is expected to begin at the start of FY 2005. |
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Outcome Measure: Receive an unqualified opinion on SSA's financial statements from the auditors

Year	Goal
FY 2003 and FY 2004	Receive an unqualified opinion

Data Definition: An unqualified opinion on the financial statements is provided when an independent auditor determines that the financial statements are presented fairly and, in all material respects, in conformity with accounting principles generally accepted in the United States of America.

Data Source: Auditors work papers

Outcome Measure: "Get to green" on all five PMA initiatives

Year	Goal
FY 2003	100% of initiative plans receive "green" for progress
FY 2004	Achieve an overall rating of "green" on at least 3 of 5 PMA initiatives on status

Data Definition: Receiving a "green" score on PMA initiative improvement plans for FY 2003 and PMA scores for FY 2004

Data Source: OMB PMA initiative improvement plan rating and overall PMA score

Means and Strategies for Efficiently Managing Agency Finances and Assets and Effectively Linking Resources to Performance Outcomes:

This objective focuses on the management aspects of administering the Social Security programs. Likewise, OMB is using a diagnostic Performance Assessment Rating Tool (PART) to examine aspects of the administration of the SSI aged and Disability Insurance programs. See Part V, beginning on page 56 for a complete discussion. The crosscutting nature of these initiatives and priorities impacts all of the strategic objectives. This objective encompasses three President Management Agenda items that have been identified as Agency priorities:

Competitive Sourcing: Competitive Sourcing uses public-private competitions on commercial services currently performed by federal employees to increase government efficiency and effectiveness. The FY 2003 goal is to compete and/or directly convert 15 percent of commercial activities. For SSA, this equates to approximately 1,800 positions to be competed with commercial sources or directly converted to contract by September 30, 2003. SSA is currently building the infrastructure to institutionalize public-private competition and is proceeding with planned competitive sourcing activities.

Improved Financial Management: SSA plans to build upon its aggressive efforts at reducing erroneous payments and collecting related debt by increasing cost effective program integrity initiatives. SSA's SSI Corrective Action Plan focuses on 1) overpayment prevention through electronic access to records of financial institutions to determine if an applicant owns unreported assets, 2) increased emphasis on debt collection using a new debt collection measurement tool that will enable us to identify those portions of our debt portfolio that are subject to collection agreements and those portions that are not set up in a repayment agreement, and 3) better overpayment detection through online access to data to improve our ability to verify documents and claimant's allegations.

Budget and Performance Integration (also identified as a major management challenge by the IG): Plans for budget and performance integration have the overall objective to strengthen the linkage between resources and performance through:

- Developing a new budget formulation system with modeling capabilities to estimate what level of performance to expect for different levels of funding, and be integrated with modernized SSA accounting and management information systems;
- Developing and implementing integrated work measurement and cost accountability systems that capture all the work we do and provide the detailed information managers need to make informed decisions;
- Strengthening accountability for meeting performance goals;
- Ensuring that SSA's budget formulation and execution processes continue to reflect the Agency's strategic and performance plans, with a greater emphasis on aligning outputs and costs to outcomes; and
- Exploring the possibility of obtaining contractor support to assist with documenting the relationship between funding and outcomes.

There are a number of other management themes and Agency priorities that emerged from top-level management meetings to define the Agency's strategic direction. These priorities, discussed below, address external and internal program evaluations.

Agency Productivity Improvements: The Agency has set a goal of achieving an average of at least 2 percent per year improvement in productivity. Advances in automation will be the key to SSA's productivity improvement, however process and regulation changes will also contribute positively. Some major initiatives include:

- Accelerated eDib will capture and store all essential material from the disability folder electronically, allowing all components in the disability claims process immediate access to the file. The file will contain more data and reduce the need for contacting the claimant. Folder handling and mail time will be eliminated with the electronic folder.
- Ongoing projects that use technology to improve SSA's wage reporting system, the claims process, and the postentitlement reporting process.
- The OHA Information Technology Strategy and Implementation consists of four projects:
 - digital recording of hearings that will reduce remands caused by the loss of audio cassette or faulty recordings;
 - speech recognition software that will save time in drafting decisions;
 - video teleconferencing that allows ALJs to conduct hearings with claimants who are located a distance from the hearings office; and
 - bar coding for case tracking in the Office of Appellate Operations.
- Expansion of the e-Government Internet initiative increases opportunities for the public to conduct business with SSA electronically and provides access to several claims and postentitlement options.

Additionally, we are implementing some process changes that will contribute to the overall productivity improvements. Examples include:

- Enumeration at Entry – SSA is working with the DOS and the BCIS to enumerate aliens as part of the immigration process; and
- Enhancing early screening and analysis of hearings cases to identify cases for possible “on the record decisions.”

Management Information Improvements: The Agency's management information improvements directly support the PMA initiatives for budget and performance integration and improved financial management, and the IG's Major Management Challenge. This area encompasses SSA's efforts to provide timely, useful and reliable data to assist internal and external decisionmakers in effectively managing programs, evaluating performance, and ensuring that performance and financial data are valid and reliable.

Two major initiatives address improvements to the management information systems--SUMS and MCAS. These two projects are key enablers in monitoring and reporting on the Agency's progress in achieving its strategic goals and objectives and the resources each consumes. Both will facilitate effective stewardship over SSA's resources and programs.

The objective of the SUMS project is to create a unified measurement system for all SSA operational components that counts and measures all work in a consistent manner, regardless of where the work is processed. It provides the detailed information managers need to monitor service, forecast workloads, and make informed decisions on how best to manage work and resources.

MCAS focuses on critical performance and financial information needed by managers and employees. MCAS will assemble and process a wide variety of information from widely dispersed SSA management, program, workload and financial systems, combining these data into a modern managerial accountability system. Additionally, MCAS will promote accountability for performance throughout programs SSA administers.

The SSA Security Plan: The Security Plan, as required by the Computer Security Act and the Government Information Security Reform Act, documents the Agency's initiatives to develop, implement and maintain an Agency-wide security program. The plan covers the establishment of security controls in the following major areas:

- *Rules of Behavior and Personnel Controls:* Personnel controls include separation of duties, application of the principle of "least" privileges and individual accountability, as well as criteria determined by the Office of Personnel Management to identify position sensitivity risk levels for automated information systems.
- *Training:* SSA's three-pronged training program includes basic awareness training for all employees to adequately fulfill their responsibilities, training adaptable for specific needs to all employees requiring it, and education for employees whose primary responsibility is security.
- *Incident Response Capability:* SSA has long had reporting procedures in place for various incidents. The plan includes the SSA Security Response Team, which was formed to address threats against the Agency's electronic systems and to assist the workforce with handling systems incidents.
- *Risk Management:* SSA's Risk Management Program ensures a continuous review of the automated systems critical to the Agency's mission, i.e., an annual review and re-certification of these systems. SSA uses a number of approaches to satisfy risk management of requirements, i.e., risk analysis, risk management reviews, the consolidated integrity review process and the systems security life cycle process. Security personnel are included and consulted at each stage of systems development.
- *Continuity of Support:* Contingency planning and disaster recovery are used to minimize the impact of situations that can affect the availability and reliability of computer services. These processes are consistent with Presidential Decision Directives (PDD) 63 and 67. PDD 63 calls for a national level effort to assure the security of increasingly vulnerable and interconnected infrastructures, and provides for a protection plan for national assets from both physical and cyber attack. SSA's effort is supported by our Agency-wide Critical Infrastructure Protection Workgroup. In accordance with PDD 67, SSA developed a plan outlining a comprehensive Agency approach to address physical security, continuity of operations, and information systems security.

Safety/Physical Security: We have expanded SSA's current physical security program. As a result of the September 11, 2001 terrorist attacks, SSA now complies with the federally directed higher alert level. SSA uses funding from this initiative to identify and remediate new vulnerabilities and replace aging equipment when its shelf life ends. We have expanded environmental health and safety (EHS) programs to obtain information about building systems and employee concerns, and to identify and resolve existing and potential problems so that all SSA employees work in safe surroundings. Since September 11, we have guards on duty at all our offices whenever they are open. This initiative also provides for education and resources to prevent accidents and exposures, and to respond appropriately and timely whenever EHS accidents occur.

IT Infrastructure: All of SSA's programmatic and administrative workloads, and most of SSA's service delivery channels rely on a complex information technology (IT) infrastructure. This initiative will provide for upgrading hardware and software, refreshing obsolete technology and improving economies of scale in SSA's IT environment. The foundation for this project rests on three tenants of operation:

1. Availability – SSA users must have access to SSA IT infrastructure services while field offices and telephone access is offered. Non-employee access (e.g., data exchange partners, the public, etc.) is required at times approaching 24 hours a day, 7 days per week.
2. Stability – The platforms must be available, without patterns of even brief periods of outage.
3. Maintainability – IT hardware and software in widespread, critical production use must be maintained at near-current release levels to ensure continued and quality support services from vendor suppliers.

Reconcile IG/GAO Recommendations: Through the years, IG and GAO have audited our internal processes, performance measures, and responses to Agency challenges. While we have agreed with and implemented many of their recommendations, some have been overtaken by other priorities. The Commissioner has completed a comprehensive review of all audit recommendations and will determine if they are still relevant. Additionally, the Agency is involved in ongoing discussions with IG and GAO concerning their recommendations. The Agency tracks progress on audit recommendations until they are completed or implemented.